GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1370
ANSWERED ON:08.12.2004
AMENDMENTS IN SENIOR CITIZEN SAVING SCHEME
Pingle Shri Devidas Anandrao

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government has brought about amendments in the Senior Citizen Saving Scheme;

(b) if so, the details thereof;

(c) whether retired army personnel are eligible to invest in this scheme;

(d) if so, the date from which this scheme is deemed to have been introduced; and

(e) whether the Government proposes to increase the rate of interest under this scheme;

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR.SHAKEEL AHMAD)

(a) Yes, Sir.

(b) Ministry of Finance notification G.S.R. 706(E) dated 27th October, 2004 published in the Gazette of India gives the details of the amendment brought about in the Senior Citizen Saving Scheme (copy of Gazette notification annexed).

(c) Yes, Sir.

(d) 27th October, 2004.

(e) There is no proposal for change in the rate of interest applicable to the Senior Citizen Savings Scheme, 2004, under consideration of the Government at present.

(f) Does not arise in view of (e) above.

ANNEXURE

MINISTRY OF FINANCE

(Department of Economic Affairs)

NOTIFICATION

New Delhi, the 27th October, 2004

G.S.R.706(E)â€"In exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 (5 of 1873), the Central Government hereby makes the following rules to amend the Senior Citizens Savings Scheme Rules, 2004, namely:-

1. (1) These rules may be called the Senior Citizens Savings Scheme (Amendment) Rules, 2004.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Senior Citizens Scheme Rules, 2004 (hereinafter referred to as the said rules), in rule-2,-

(a) in clause (d), for sub-clause
(ii), the following sub-clause shall be substituted, namely:-

"
(ii) who has attained the age of 55 years or more but less than 60 years, and who has retired on superannuation or otherwise on the

date of opening of an account under these rules, subject to the condition that the account is opened by such individual within one month of the date of receipt of the retirement benefits and proof of date of disbursal of such retirement benefit(s) alongwith a certificate from the employer indicating the fact of retirement on superannuation or otherwise, retirement benefits, employment held and period of such employment with the employer is attached with the application form in Form- A:

Provided that the persons who have retired at any time before the commencement of these rules and attained the age of 55 years or more on the date of opening of an account under these rules, shall also be eligible to subscribe under the scheme within a period of one month of the date of this notification, subject to the fulfillment of other specified conditions:

Provided further that the retired personnel of Defence Services (excluding Civilian Defence Employees) shall be eligible to subscribe under the scheme irrespective of the above age limits subject to the fulfillment of other specified conditions."

(b) for clause (e), the following clause shall be substituted, namely:-

(e) "Deposit Office" means-

(i) any post office in India doing savings bank work and authorized by Director General Posts, to open an account under these rules, or

(ii) an office or branch of a banking company, or any other company or institution, authorized by the Central Government to receive subscriptions under the Public Provident Fund Scheme.'

3. In rule 4 of the said rules, in sub-rule (1), the following shall be inserted at the end, namely:-

'Provided that deposits by depositors under sub-rule (ii) of rule 2, shall be restricted to the retirement benefits received by them or rupees fifteen lakh, whichever is lower.

Explanation:- For the purposes of this sub-rule, "retirement benefits" means any payment due to the depositor on account of retirement whether on superannuation or otherwise and includes Provident Fund dues, retirement/superannuation gratuity, commuted value of pension, cash equivalent of leave, savings element of Group Savings linked Insurance Scheme payable by employer to the employee on retirement, retirement-cum-withdrawal benefit under the Employees' Family Pension Scheme and ex-gratia payments under a voluntary retirement or a special voluntary retirement scheme.'

4. In rule 7 of the said rules, in sub-rule (4), for the words "limit of deposits" the words "limit of balance" shall be substituted.

5. In rule 8 of the said rules, in sub-rule (3), after the second proviso, the following proviso shall be inserted namely:-

"Provided also that where both the spouses have opened separate accounts under the scheme, and either of the spouses dies during the currency of the account(s) under the scheme, the account(s) standing in the name of the deceased depositor/spouse shall not be continued in accordance with the first proviso and such accounts shall be closed.".

6. In Form-A of the said rules,-

(i) in paragraph 2, in sub-paragraph
(iv), for the word, brackets and figure "sub-rule(8)", the word, brackets and figure "sub-rule (7)" shall be substituted;

(ii) for the person/persons mentioned below paragraph 3, the following shall be substituted, namely:-

"TABLE

Sl No	Name(s) of the nominee (s) alongwith relationship with the deposit or	Permanent Address	Date(s) of birth of nominee (s) in case of a minor/age in other case(s)	Share of the nominee(s) in amount payable	Photograph(s) of the nominee(s)	Signature/thumb impression of the nominee(s)
(1)	(2)	(3)	(4)	(5)	(6)	(7)"

7. In Form-C of the said rules, for the person/persons mentioned below paragraph 1, the following shall be substituted, namely:-

"TABLE

Sl No	Name(s) of the nominee (s) alongwith relationship with the depositor	Permanent Address	Date(s) of birth of nominee (s) in case of a minor/age in other case(s)	Share of the nominee (s) in the amount payable	Photograph(s) of the nominee(s)	Signature/thumb impression of the nominee(s)
(1)	(2)	(3)	(4)	(5)	(6)	(7)"

8. In Form-E of the said rules, under the heading RECEIPT, below the words "Signature/Thumb impression of the Depositor", the following shall be inserted, namely:-

"Signature of in-charge of Deposit Office
(Alongwith name and designation stamp)".

9. In Form-F of the said rules, under the heading RECEIPT TO BE SIGNED BY THE CLAIMANT(S), below the words "Signature/Thumb impression of the Claimant(s)", the following shall be inserted, namely:-

"Signature of in-charge of Deposit Office
(Alongwith name and designation stamp)".

(F.No. 2-8/2004-NS-II)
P.C. SINGH, Under Secy.

Note:- The Senior Citizens Savings Scheme Rules, 2004 were published in the Gazette of India (Extraordinary) vide notification number G.S.R. 490(E) dated the 2nd August, 2004.